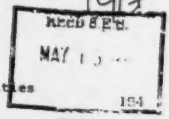
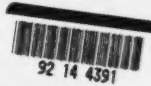
029552
Q-35355

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549





FORM 10-Q

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 29, 1992, or

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 0-17743

92-2240

Comptronix Corporation
(Exact name of registrant as specified in its charter)

Delaware	63-0860282
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

F.O. Box 1800, Guntersville, AL 35976
(Address of principal executive offices) (Zip Code)

PROCESSED BY
MAY 14 1992
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Q-Data Corp. - St. Petersburg, FL

Registrant's telephone number, including area code 205/582-1800

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

BEST COPY AVAILABLE

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes____ No ____

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

10,971,685 as of March 29, 1992

PART I. FINANCIAL INFORMATION

ITEM I. CONDENSED FINANCIAL STATEMENTS

COMPTRONIX CORPORATION

BALANCE SHEETS
(Unaudited)

	March 29, 1992	December 31, 1991
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 745,568	$ 1,045,330
Accounts receivable	18,276,065	12,624,637
Inventories	31,632,231	28,531,792
Other current assets	220,623	279,812
TOTAL CURRENT ASSETS	50,874,487	42,481,571
PROPERTY PLANT AND EQUIPMENT (Less accumulated depreciation and amortization of $18,992,281 at March 29, 1992 and $16,436,226 at December 31, 1991)	41,689,752	38,719,585
OTHER ASSETS	3,236	3,237
TOTAL	$ 92,567,475	$81,204,393

See notes to financial statements.

COMPTRONIX CORPORATION

CONDENSED BALANCE SHEETS
(Unaudited)

	March 29, 1992	December 31, 1991
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of long term debt	$ 766,173	$ 753,430
Accounts Payable	6,144,346	8,530,726
Accrued payroll and related expenses	1,501,383	1,468,490
Other payables and accruals	1,426,497	979,325
TOTAL CURRENT LIABILITIES	9,838,399	11,731,971
DEFERRED INCOME TAXES	586,547	586,547
CONVERTIBLE SUBORDINATED DEBENTURES	33,275,000	-0-
OTHER LONG TERM DEBT	7,518,099	29,209,584
STOCKHOLDERS' EQUITY		
Common Stock, par value $.01 a share; Authorized 50,000,000 shares;issued 10,971,685 shares at March 29, 1992 and 10,676,786 at December 31, 1991	109,717	106,768
Additional paid in capital	29,594,731	29,274,810
Retained earnings	11,644,982	10,294,713
TOTAL STOCKHOLDERS' EQUITY	41,349,430	39,676,291
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$92,567,475	$81,204,393

See notes to financial statements.

COMPTRONIX CORPORATION

Condensed Statements of Earnings

(UNAUDITED)

	THIRTEEN WEEKS ENDED	
	March 29, 1992	March 31, 1991
NET SALES	$ 28,088,259	$ 20,683,428
COST OF SALES	23,705,703	17,704,401
GROSS PROFIT	4,382,556	2,979,027
MARKETING, GENERAL AND ADMINISTRATIVE EXPENSE	1,474,934	1,213,711
INTEREST EXPENSE - NET	626,801	631,083
OTHER EXPENSE	30,354	18,087
	2,132,089	1,862,881
INCOME BEFORE INCOME TAXES	2,250,467	1,116,146
INCOME TAXES	900,187	446,459
NET INCOME	$ 1,350,280	$ 669,687
EARNINGS PER SHARE	$ .12	$ .08
WEIGHTED AVERAGE SHARES	11,221,000	8,744,000

See notes to financial statements.

COMPTRONIX CORPORATION
CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	THIRTEEN-WEEKS ENDED	
	MARCH 29, 1992	MARCH 31, 1991
Net income	$ 1,350,279	$ 669,687
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,556,055	1,553,690
(Increase) decrease in accounts receivable	(5,651,428)	(2,693,359)
(Increase) decrease in inventories	(3,100,439)	(6,069,349)
(Increase) decrease in other assets	59,191	(35,007)
Increase (decrease) in accounts payable	(2,386,380)	5,157,688
Increase (decrease) in accrued payroll and related expenses	32,893	(95,579)
Increase (decrease) in other payables and accruals	447,172	(422,359)
Net cash used in operating activities	(6,692,657)	(1,934,588)
Cash flows from investing activities:		
Purchase of marketable securities		-0-
Capital expenditures	(5,526,221)	(444,187)
Decrease in unexpended equipment funds	-0-	-0-
Net cash used in investing activities	(5,526,221)	(444,198)
Cash flows from financing activities:		
Proceeds from issuance of notes payable to banks	-0-	-0-
Principal payments on notes payable to banks		-0-
Proceeds from issuance of long-term debt-net	33,281,524	4,200,000
Principal payments on long-term debt	(21,685,266)	(2,047,652)
Proceeds from issuance of Common Stock	322,858	20,400
Net cash provided by financing activities	11,919,116	2,172,748
Net increase (decrease) in cash and cash equivalents	(299,762)	(206,027)
Cash and cash equivalents at beginning of period	1,045,330	268,187
Cash and cash equivalents end of period	$ 745,568	$ 62,160

NOTES TO CONDENSED FINANCIAL STATEMENTS
March 29, 1992
(Unaudited)

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited condensed financial statements have been prepared in accordance with instructions to Form 10-Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The statements (and all other information in this report) have not been examined by independent accountants, but in the opinion of the Company, all adjustments, which consisted of only normal recurring accruals, necessary for a fair presentation of the results for the period have been made. The results of operations for the period ended March 29, 1992 are not necessarily indicative of the results of operations for the year ending December 31, 1992.

NOTE B - INCOME TAXES

Income tax expense differs from amounts currently payable as certain revenues and expenses are reported in the income statement in periods which differ from those in which they are subject to taxation.

NOTE C - CHANGES IN AMOUNT OUTSTANDING OF SECURITIES OR INDEBTEDNESS

On May 17, 1992, the Company issued a $34,500,000 principal amount of 6 3/4% Convertible Subordinated Debentures due 2002. The net proceeds from the sale of the debentures was used to pay outstanding debt under the company's revolving line of credit and equipment line of credit.

ITEM II.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Net sales for the quarter ended March 29, 1992, were $28.1 million, 36% above the $20.7 million reported for the comparable period in 1991. The increase over the 1991 period was attributable primarily to shipments to new customers, reflecting the success of the Company's continuing efforts to market services to a diverse group of OEMs in a broad range of industries.

Gross profit as a percentage of sales increased to 15.6% from 14.4% in the comparable period in 1991. The increase in gross profit margin is attributable to better absorption of indirect expenses due to increased volume and higher profit margin realized on certain business with new customers.

Marketing, general and administrative expense in the first quarter declined to 5.2% of sales as compared with 5.9% of sales in 1991 although this expense increased from $1.2 million in 1991 to $1.5 million in 1992 due to the company's continued growth. Interest expense in 1992 was approximately the same as 1991 interest expense. This expense declined as a percentage of sales from 3.0% in 1991 to 2.2% in 1992.

CAPITAL RESOURCES AND LIQUIDITY

At March 29, 1992 the Company had net working capital of $41.0 million, compared with $30.7 million at December 31, 1991. The ratio of current assets to current liabilities was 5.1 to 1.0 at March 29, 1992, compared to 3.6 to 1.0 at December 31, 1991. At March 29, 1992, the Company had a line of credit with four banks which provides for up to $20 million of borrowings. Borrowings under the line of credit are limited to the lesser of $20 million or 90% of eligible receivables plus 50% of raw materials inventory as defined in the line of credit agreement. At March 29, 1992 the Company had no borrowings outstanding under its line of credit and $20.0 million was available for borrowing.

The Company has available a $30.0 million revolving equipment line of credit bearing interest at an adjustable rate equal to the banks prime lending rate plus ½% which is collateralized by certain capital equipment. At March 29, 1992 the Company had no borrowings outstanding under the equipment line of credit and $30.0 million was available for borrowing. Each line of credit agreement includes certain financial covenants and restricts the ability of the Company to incur additional debt without the consent of the banks. The Company is presently in compliance with the financial covenants contained in each of the lines of credit agreement.

On March 17, 1992, the Company issued a $34,500,000 principal amount of 6 3/4% Convertible Subordinated Debentures due 2002. The net proceeds from the sale of the debentures was used to pay outstanding debt under the company's revolving line of credit and equipment line of credit.

The Company expects to spend approximately $20 million in 1992 for capital equipment and leasehold improvements in its Guntersville, San Jose and Colorado Springs facilities. The Company anticipates that during 1992 higher levels of working capital will be needed to fund the increased level of inventories and accounts receivable necessary to support growth in sales. There can be no assurance, however, that such growth will be achieved. In addition, the Company may require additional capital to finance future developments, acquisitions or expansion of facilities in accordance with its business strategy. On April 14, 1992 the Company entered into an agreement to purchase the assets associated with the printed circuit card assembly operations of Exicom Technologies, Inc. The purchase price of the acquired assets is expected to approximate their book value and will be financed with cash on hand and borrowings under the Company's line of credit. This transaction is expected to be consummated by June 1, 1992.

PART II. OTHER INFORMATION

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits
None.

(b) Reports
No reports on Form 8-K were filed by the Company during the period January 1, 1992 to March 29, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPTRONIX CORPORATION
(REGISTRANT)

DATE: MAY 12, 1992

BY: _____
WILLIAM J. HEBDING
CHAIRMAN OF THE BOARD
AND CHIEF EXECUTIVE OFFICER

DATE: MAY 12, 1992

BY: _____
J. PAUL MEDLIN
CHIEF ACCOUNTING
OFFICER/TREASURER